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USAID FOR LAC/AA  
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SUBJECT: BRAZIL: NEW ONLINE PATENT AND TRADEMARK REGISTRATION  
PROCESS

11. Summary: The GoB's National Institute of Industrial Property (INPI) has adopted an electronic system designed to reduce bureaucracy in the country's patent and trademark registration process. This new "e-marcas" system, launched on September 1, should enable patent and trademark requesters to process their applications online via internet, and permit INPI to complete the entire process electronically. Brazilian patent and trademark seekers have historically experienced long delays. Goals are to reduce the processing time by a year for trademarks and by five for patents, by 2007. End Summary.

12. Background: Currently, Brazil lags far behind developed countries, particularly Japan and the U.S., in number of applications for copyrights and patents. This has been attributed to a lack of "patent and trademark culture," particularly among the private sector. 70 percent of patent applications in Brazil are done by universities or public research institutions, and only 30 percent by the private sector. In developed countries, the proportion is the opposite, according to INPI. Part of the reason for a lack of impetus or culture for turning innovation into intellectual property is the time it currently takes to register a trademark or patent in Brazil. According to news reports, it takes six years to register a trademark in Brazil, and, while the average is five years, a patent can take up to nine years. Currently, only 10 percent of the patents registered in Brazil are for domestic inventions.

13. Director Claudio Barbosa of the Brazilian Association for Intellectual Property, ABPI, affirmed in a recent press article that the switch to a more rapid system "can provide the basis for investment decisions . . . it's not necessary that something be a Nobel prize winner to be registered; [even] simple innovations that were born on the floor of a factory need to be protected." Barbosa further said that improving the system of registering trademarks and patents protects innovation, provides the legal security to increase research, and attracts investment. However, Barbosa also cited cost as a barrier, saying that the registration of even a simple patent cannot take place for less than 3,000 Brazilian Reais (approximately US\$1393.)

14. According to INPI, in 2005, businesses that operate in Brazil applied for little more than 21,000 patents. By stark comparison, in Japan, 420,000 requests were registered in 2004, and in the United States, 357,000.

15. Comment: The statistics cited reveal longstanding barriers in terms of timing, money, and ideology, to registering trademarks and

patenting inventions in Brazil. It is too soon to predict whether INPI's new "e-marcas" system will function smoothly, reduce processing time by as much or as soon as the GoB predicts, or foster a true culture of innovation and intellectual property protection. That said, it is a step in the right direction.

SOBEL